



# Wienerberger Covid-19 update

Status as per April 20, 2020

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# Strong Q1 performance

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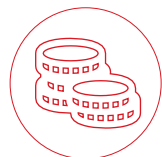


- › Strong start into 2020

	Q1 2020	Q1 2019
Revenues	€ 792 mn	€ 777 mn
EBITDA	€ 106 mn	€ 110 mn



- › Pricing strategy to cover cost inflation holding up as planned
- › March affected by COVID 19 outbreak, volume declines and plant shut downs in some countries



- › Short-term shift of strategy focusing on cash preservation implemented



## Regional overviews



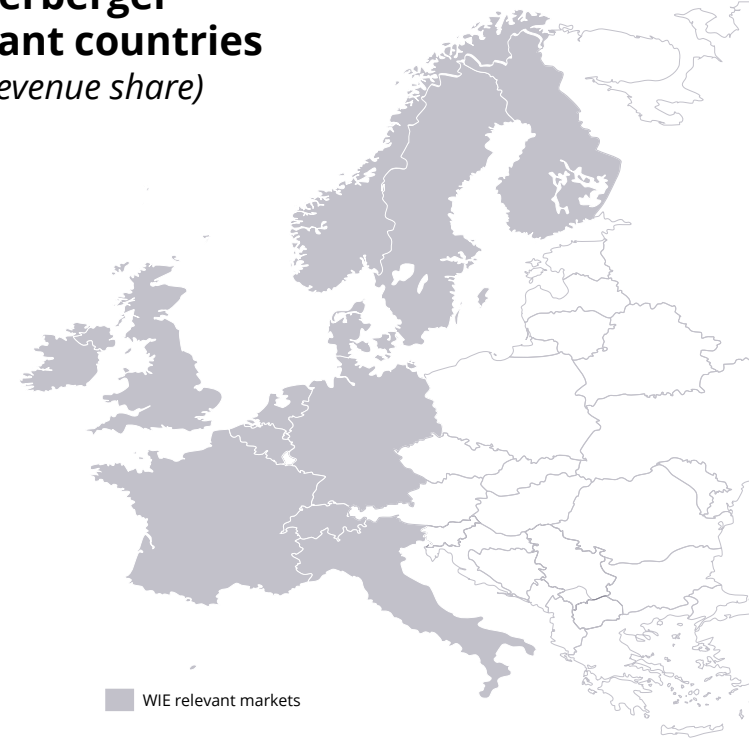
# Western Europe and Nordics

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## Governmental measures

- › Restricted mobility for people: call to stay at home
- › Certain countries have extended their restrictions (e.g. France), while others are planning an ease of restrictions (e.g. Denmark, Spain, Germany, Italy)
- › Trade flow between countries still ongoing
- › State cohesion / emergency measures in various forms are being implemented in each country
  - › Subsidized short-term work
  - › Compensation measures
  - › Stimulus packages
  - › State-guarantees for business lending
  - › Tax cuts and deferrals

**Wienerberger  
relevant countries**  
(56% revenue share)



# Western Europe and Nordics – no major changes

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## Specific Wienerberger actions

- › Use the advantage of strong local presence to **adjust to local needs**
- › **Ensure maintenance** of local supply chains and deliveries to plants in operation (raw material, spare parts,...)
- › White collar workers in **home-office**
- › Blue collar workers act under highest health and safety instructions, **no interactions between shifts**
- › **Government schemes** are used wherever possible to optimize cost structures
- › Close collaboration along the local supply chains and customer contact **highly digital**
- › **Fast cost reductions** in line with market developments
- › Adjusted production / working capital planning for Q2

## Wienerberger capacity actions



# Eastern Europe

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## Governmental measures

- › **State support schemes** in various forms are being implemented in each country
  - › Subsidized short-term work
  - › Aid packages for specific industries
  - › Interest-free loans
  - › Adaptions to labour market regulations are being implemented in each country
- › Ramp-up plan for economy in Austria started on April 14<sup>th</sup>

**Wienerberger  
relevant countries**  
(34% revenue share)



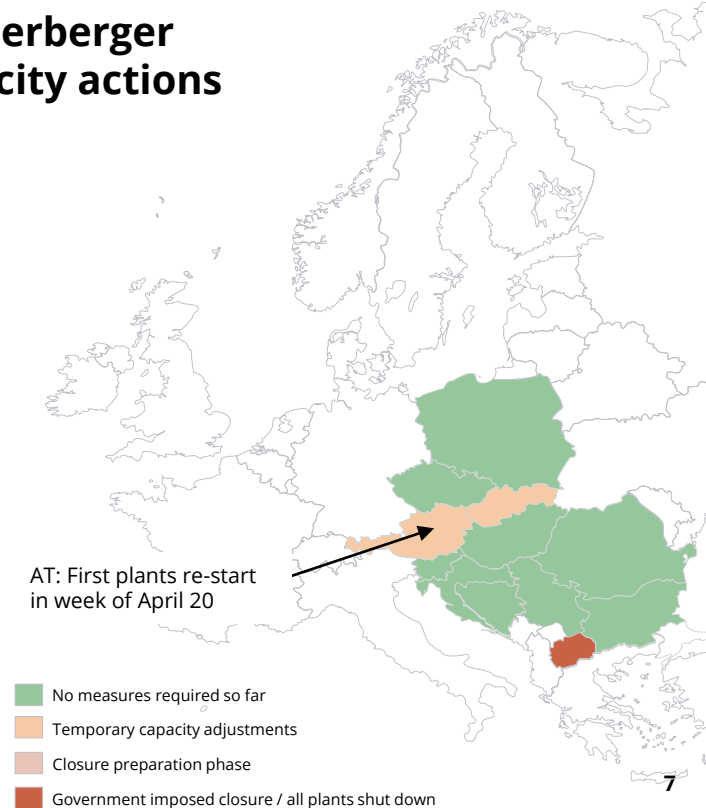
# Eastern Europe – planned closures conducted, remaining countries still healthy

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## Specific Wienerberger actions

- › Demand is still healthy in most of the markets, **most plants are still up and running**
- › White collar workers in **home-office**
- › Blue collar workers act under highest health and safety instructions, **no interactions between shifts**
- › Preparations for reduced shift patterns if required
- › **Government support schemes** will be used wherever possible to optimize cost structures
- › Close collaboration along the local supply chains and customer contact **highly digital**

## Wienerberger capacity actions



# North America – first plant re-opened in Pennsylvania

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## Governmental measures

### › USA

- › Situation differs from state to state
- › Fiscal stimulus package approved
- › Direct payments to Americans and greater unemployment benefits
- › Federally-guaranteed loans and lending to distressed companies
- › Forbearance on mortgage-payments
- › Ramp-up plan for economy announced

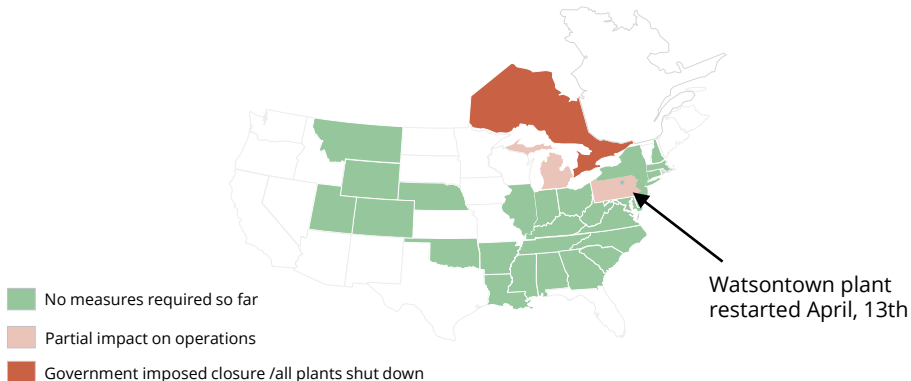
### › Canada

- › Lockdown has been extended
- › Direct support for workers and businesses
- › Emergency care benefit package
- › Tax delays

## Specific Wienerberger actions

*(10% revenue share)*

- › Covid-19 task force developed operational plan to safeguard operations and ensure safety of colleagues and customers
- › White collar: work rotations and remote work
- › Blue collar: act under highest health and safety instructions, no interactions between shifts
- › Close collaboration along the local supply chain and customer contact highly digital
- › Fast cost reductions in line with market developments





# Corporate social responsibility initiatives taken to support local communities

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## Sewage systems for hospital in Russia

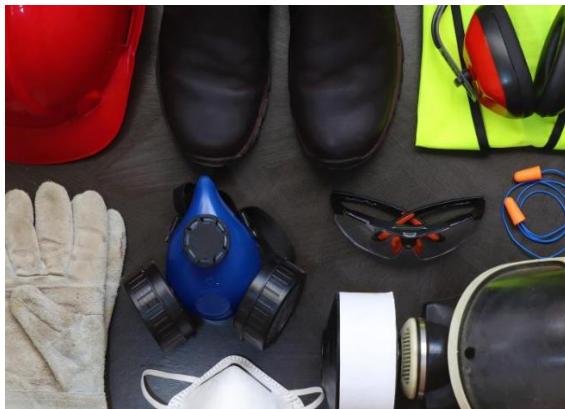
- › **Pipelife Russia** ensures the **supply of vital sewer system products** for a new **hospital** for **COVID-19 patients** which will be able to accommodate 500 patients by the month of April - safe, reliable and quick

## Personal protective equipment for hospitals in UK

- › **Wienerberger UK** has donated **protective masks** and **personal protective equipment** from **own local sites** to the East Riding of Yorkshire Hospital Trust, Hull Royal Infirmary and Brighton Hospital

## Protective suits for a hospital in Belgium

- › **Wienerberger Belgium** has donated **water-repellent aprons/suits** via local network of enterprises to the **University Hospital of Antwerp**



**vo**  
**ka** **Kamer van**  
**Koophandel**  
Mechelen

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**Wienerberger Group measures**

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# Group measures

## Liquidity position further strengthened

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### Capex and M&A



- › **Maintenance capex** >> Reduced to a strict minimum
- › **Special capex** >> Smaller projects carried out, rest is on hold
- › **M&A transactions** >> All projects currently put on hold

### Costs



#### Personnel costs

- › Publicly financed **temporary compensation measures** used for white and blue collar workers in all countries where applicable
- › **-20% temporary wage cuts on Executive and top management level committed**

### Liquidity



- › **We are prepared for different stress scenarios** and can act quickly to changing environments
- › 4% bond of €300 mn redeemed mid of April
- › Additional € 380 mn of new liquidity have been secured in the last weeks
- › **Current liquidity situation: >€ 450 mn after redemption of the bond**
- › Negotiations for further credit lines ongoing
- › Comfortable with liquidity position and commitment to dividend with **proposal to shift payment to October 2020**

## THE UNCERTAINTY FOR 2020 STILL REMAINS

**First positive  
signs in  
China's  
economy**

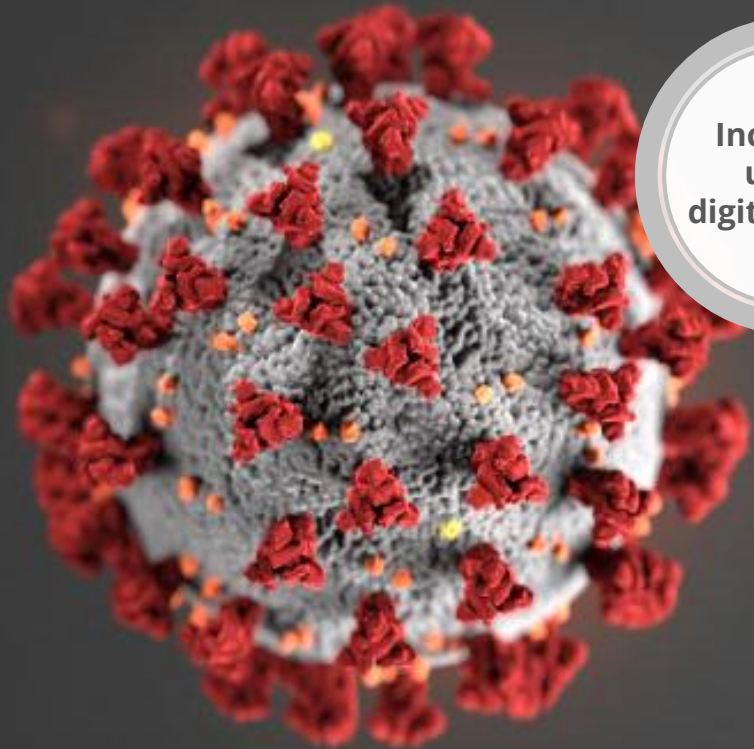
**Fear of 2<sup>nd</sup>  
wave in  
South Korea**

**USA crisis  
management  
caught global  
attention**

**First hope in  
Europe to  
ramp-up  
economies**

**Implications for our business year 2020 still uncertain. However, Q2 will most probably be affected the most based on already ongoing measures – more details will be provided with Q1 release mid-of May**





Increased  
use of  
digitalization

Localization  
of supply  
chains

Focus on  
healthy  
living and  
contribution  
to environ-  
ment

Optimization  
of processes  
to involve  
less people

**COVID will drive a rethinking in how we do global business –**

**Example Wienerberger innovations supporting these trends**

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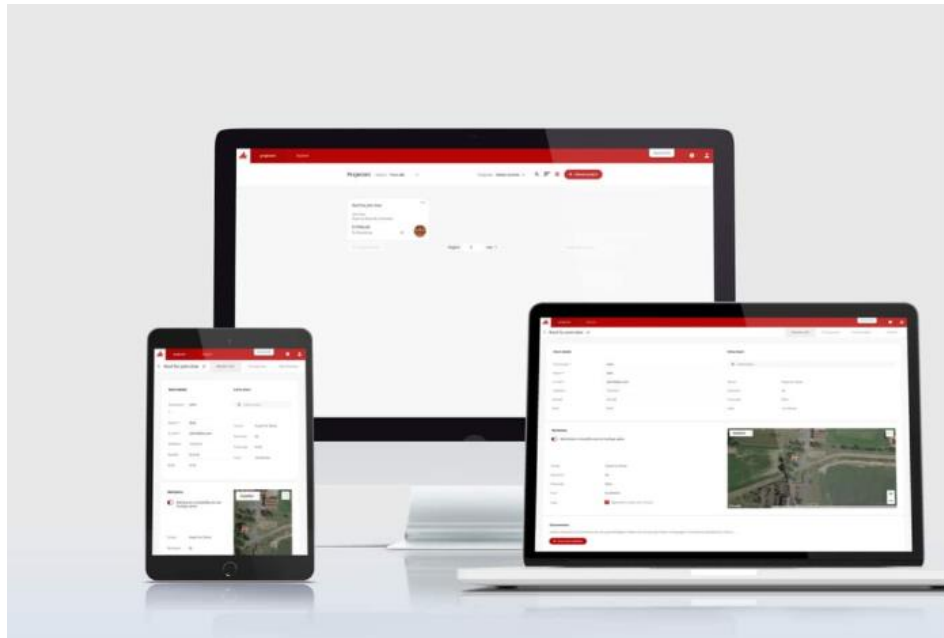


Increased use of digitalization

## All4Roof for digital customer interaction

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- > Wienerberger platform offering a digital end-to-end solution to roofers using our roof systems
- > The roofers' customer receives a detailed offer directly generated by the tool – no physical contact needed
- > Simplifies processes for the roofer
- > Ensures business continuity by driving digitalization



**Our spider concept:**

## **Quick installation with less people on site**

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- > Innovative prefab system that can change the installation industry
- > Ready-made, tailor-made electrical installation based on a digital house plan
- > Consists of pre-wired flexible pipes from Preflex
- > Less people needed for installation on site
- > Makes electrical installation time 5 times shorter, prevents errors, saves on labor and material



## Focus on healthy living and contribution to environment

# **CO<sub>2</sub>-neutral brick**

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- > Clay bricks are naturally climate-friendly due to their durability, robustness and recyclability
- > Our climate-neutral brick combines natural properties with additional measures:
  - > reducing the overall energy demand in production
  - > using renewable energies
  - > additional climate protection measures
- > Due to its thermal conductivity, less energy is used once the brick is installed
- > The climate neutrality of our perlite-filled bricks protects the climate – for a lifetime



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